

Press ReleaseNational Labor Relations Board Office of the General Counsel

July 1, 2010

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NLRB dismisses complaint in New York wage-cutting case following union-employer settlement

The director of the NLRB's regional office in Buffalo today approved a union's request to withdraw charges and dismissed a complaint against a silicone manufacturer following a settlement between the employer, Momentive Performance Materials, and the union, IUE-CWA Local 81359.

Momentive agreed to make whole about 400 employees whose pay was cut by \$5 to \$10 per hour more than a year ago, despite an existing union contract. The back pay award covering the period from the cuts to the new contract has not yet been calculated, but is likely to be in the millions of dollars. The employer also agreed to a new collective bargaining agreement covering all union employees.

Regional Director Rhonda Ley issued the complaint in January and a hearing was set for April, but was postponed to give the parties time to negotiate a settlement.

The Momentive plant in Waterford, New York produces silicones, silicone derivatives and quartz products. It was a GE facility until purchased by Apollo Management in late 2006. The new employer signed a contract with the union in June 2007 but later sought to gain concessions from the union before unilaterally cutting wages. An initial investigation by the NLRB found there was reason to believe the employer's action violated the National Labor Relations Act.

The National Labor Relations Board is an independent federal agency vested with the power to safeguard employees' rights to organize and to determine whether to have unions as their bargaining representative. The agency also acts to prevent and remedy unfair labor practices committed by private sector employers and unions.